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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/650,635	08/28/2003	Gregory J. Mesaros	GEDP111USA	7726

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EXAMINER	
ALLEN, WILLIAM J	

ART UNIT	PAPER NUMBER
3625	

DATE MAILED: 04/21/2006

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary	Application No.	Applicant(s)	
	10/650,635	MESAROS, GREGORY J.	
	Examiner	Art Unit	
	William J. Allen	3625	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

1)☒ Responsive to communication(s) filed on *28 August 2003*.

2a)☐ This action is **FINAL**. 2b)☒ This action is non-final.

3)☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

4)☒ Claim(s) *1-33* is/are pending in the application.

4a) Of the above claim(s) *22-33* is/are withdrawn from consideration.

5)☐ Claim(s) _____ is/are allowed.

6)☒ Claim(s) *1-21* is/are rejected.

7)☐ Claim(s) _____ is/are objected to.

8)☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

9)☐ The specification is objected to by the Examiner.

10)☒ The drawing(s) filed on *28 August 2003* is/are: a)☒ accepted or b)☐ objected to by the Examiner.

Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).

Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).

11)☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

12)☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).

a)☐ All b)☐ Some * c)☐ None of:

1.☐ Certified copies of the priority documents have been received.

2.☐ Certified copies of the priority documents have been received in Application No. _____.

3.☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

1) ☒ Notice of References Cited (PTO-892)
2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
3) ☐ Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08) Paper No(s)/Mail Date _____.
4) ☐ Interview Summary (PTO-413) Paper No(s)/Mail Date. _____ .
5) ☐ Notice of Informal Patent Application (PTO-152)
6) ☐ Other: _____.

DETAILED ACTION

Election/Restriction

Restriction to one of the following inventions is required under 35 U.S.C. 121:

I. Claims 1-21, drawn to an electronic multiple supplier system and method, classified in class 705, subclass 26.

II. Claims 22-29, drawn to a method for transacting business electronically, classified in class 705, subclass 26.

III. Claims 30-33, drawn to a method for transacting commerce electronically, classified in class 705, subclass 26.

The inventions are distinct, each from the other because of the following reasons:

The inventions of groups I and II are related as subcombinations disclosed as usable together in a single combination. The subcombinations are distinct if they do not overlap in scope and are not obvious variants, and if it is shown that at least one subcombination is separately usable. In the instant case, subcombination of group II has separate utility such as requesting suppliers of a desired product to complete and submit an online bid form posted in a dealroom. See MPEP § 806.05(d).

Because these inventions are independent or distinct for the reasons given above and the inventions require a different field of search (see MPEP § 808.02), restriction for examination purposes as indicated is proper.

The inventions of groups I and III are related as subcombinations disclosed as usable together in a single combination. The subcombinations are distinct if they do not overlap in scope and are not obvious variants, and if it is shown that at least one subcombination is separately usable. In the instant case, subcombination of group III has separate utility such as rebating any overage paid corresponding to the difference between the volume price per unit and the average price per unit. See MPEP § 806.05(d).

Because these inventions are independent or distinct for the reasons given above and the inventions require a different field of search (see MPEP § 808.02), restriction for examination purposes as indicated is proper.

The inventions of groups II and III are related as subcombinations disclosed as usable together in a single combination. The subcombinations are distinct if they do not overlap in scope and are not obvious variants, and if it is shown that at least one subcombination is separately usable. In the instant case, subcombination of group III has separate utility such as rebating any overage paid corresponding to the difference between the volume price per unit and the average price per unit. See MPEP § 806.05(d).

Because these inventions are independent or distinct for the reasons given above and the inventions require a different field of search (see MPEP § 808.02), restriction for examination purposes as indicated is proper.

During a telephone conversation with David Grillo on April 3, 2006 a provisional election was made with traverse to prosecute the invention of Group I, claims 1-21. Affirmation of this election must be made by applicant in replying to this Office action. Claims 22-33 withdrawn from further consideration by the examiner, 37 CFR 1.142(b), as being drawn to a non-elected invention.

Claim Objections

Claims 6 and 7 are objected to because of the following informalities: Claims 6 and 7 recite "the virtual form" and should read "the virtual forum" as recited in independent claim 1. Appropriate correction is required.

Claim Rejections - 35 USC § 112

The following is a quotation of the second paragraph of 35 U.S.C. 112:

> The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

1. Claim 15 is rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

Claim 15 recites "providing a rebate if the final price paid equal to the final price determined according to the volume of the product purchased". The Examiner notes that the language and sentence structure renders the limitation unclear, thereby, the limitation and meaning of the claim is not decipherable. The Examiner further notes that

nowhere in the disclosure or drawings does the Applicant compare a final paid price to a final determined price; rather, Applicant shows comparing average prices to the final price determined. For examination purposes, the Examiner will interpret the claim to provide a rebate as a result of comparing 2 prices.

2. Claim 21 is rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

Claim 21 makes reference to multiple statutory classes of invention. A claim that purports to be within multiple statutory classes is ambiguous and is properly rejected under U.S.C. 112, second paragraph, for failing to particularly point out and distinctly claim the invention (see Ex Parte Lyell).

Claim Rejections - 35 USC § 102

The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

> A person shall be entitled to a patent unless –
>
> (e) the invention was described in (1) an application for patent, published under section 122(b), by another filed in the United States before the invention by the applicant for patent or (2) a patent granted on an application for patent by another filed in the United States before the invention by the applicant for patent, except that an international application filed under the treaty defined in section 351(a) shall have the effects for purposes of this subsection of an application filed in the United States only if the international application designated the United States and was published under Article 21(2) of such treaty in the English language.

1. Claims 1-3, 5-6, 8, 11, 12, 14, and 21 are rejected under 35 U.S.C. 102(e) as being anticipated by Hao et al (US 2003/0041002, herein referred to as Hao).

Regarding claim 1, Hao teaches:

a central connection component configured to provide a virtual forum to facilitate electronic communication between buyers and suppliers (see at least: Fig. 1);

at least one remote computer connected to the central connection component via a network, wherein at least one buyer employs the at least one computer to request, retrieve, and accept online bids that contain a price curve for a product from a plurality of suppliers, the price curve specifying a unit price in tiers based on the total volume purchased (see at least: abstract, 0020, 0050-0051, Fig. 5).

Regarding claim 2, Hao teaches *wherein the central connection component is a server* (see at least: Fig. 1).

Regarding claim 3, Hao teaches *wherein the central connection component is configured to display current low bids at each tier via one or more of the at least one remote computers* (see at least: Fig. 5, 0050-0051). The Examiner notes that the system is capable for displaying the minimum (lowest) price/bid for each quantity specified by a market player (supplier) for that particular market player.

Regarding claim 5, Hao teaches *wherein the central connection component is configured to limit the period during which bids can be accepted* (see at least: Fig. 3).

The Examiner notes that the Market Operator limits the duration of the auction my opening the auction for bids and closing bidding.

Regarding claim 6, Hao teaches *wherein the virtual forum is an Internet web page* (see at least: 0036, 0040, 0047).

Regarding claim 8, Hao teaches:

requesting an online bid from at least one supplier (see at least: abstract, 0012, 0018, 0020);

receiving bids submitted from at least one supplier, wherein each supplier specifies a price for which it will sell a product at particular price points that vary as a function of total products ordered (see at least: 0050-0051, Fig. 5);

determining a lowest price bid at a respective price point (see at least: 0050-0051, 0069). The Examiner notes that each supplier submits bid data which includes their minimum (lowest) price for a specific quantity. The minimum bid for each quantity is determined by the market participant (supplier) at each price point and displayed from each market participant (supplier) to a user.

accepting a bid (see at least: abstract, 0020).

Regarding claim 11, Hao teaches *wherein bids can only be submitted during a limited period of time* (see at least: Fig. 3). The Examiner notes that the Market

Operator limits the duration of the auction my opening the auction for bids and closing bidding.

Regarding claim 12, Hao teaches where *a buyer specifies the final time in which suppliers must submit bids* (see at least: Fig. 3). The Examiner notes that the Market Operator represents the buyer in the auction and thereby constitutes the buyer.

Regarding claim 14, Hao teaches *wherein accepting a bid includes accepting a supplier for a fixed length of time* (see at least: 0039, 0045). The Examiner notes that a participant bids for a time interval with which the purchaser is bound to.

Regarding claim 21, the limitations of claim 21 closely parallel the limitations set forth in claims 1 and 8. Claim 21 is thereby rejected under the same rationale.

Claim Rejections - 35 USC § 103

2. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

> (a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negatived by the manner in which the invention was made.

3. Claims 4 and 9 are rejected under 35 U.S.C. 103(a) as being unpatentable over Hao in view of Abeshouse et al (US 2002/0099643, herein referred to as Abeshouse).

Regarding claims 4 and 9, Hao teaches all of the above and further teaches *displaying the current lowest price bid at each price point* (see at least: Fig. 5). Hao, however, does not expressly teach *displaying the respective bidding supplier.* Abeshouse teaches display a hierarchy of bids, including the lowest bid, and *the respective bidding suppliers* (see at least: Fig. 6-8, 0089, 0129). It would have been obvious to one of ordinary skill in the art at the time of invention to have modified the invention of Hao to have included displaying the *respective bidding suppliers* as taught by Abeshouse in order to provide a method, apparatus and system that beneficially provides bidders with an incentive to actively participate in an auction by submitting additional, progressively lower bids throughout the auction (see at least: Abeshouse, 0033).

4. Claim 7 is rejected under 35 U.S.C. 103(a) as being unpatentable over Hao in view of Muftic (US 5,850,442).

Regarding claim 7, Hao teaches all of the above and further teaches providing a virtual forum (see at least: 0036, 0040, 0047). Hao, however, does not expressly teach where the forum is an *Internet chat room.* Muftic teaches providing an auction forum in the form of an *Internet chat room* (see at least: col. 18 lines 11-24, Fig. 23). It would have been obvious to one of ordinary skill in the art at the time of invention to have modified the invention of Hao to have included and Internet chat room forum as taught

by Muftic in order to provide users with access to an electronic analog of an auction floor (see at least: Muftic, col. 18 lines 11-24).

5. Claims 10 and 13 are rejected under 35 U.S.C. 103(a) as being unpatentable over Hao in view of Cafino et al. (US 2004/0015415, herein referred to as Cafino).

Regarding claim 10, Hao teaches accepting bids defining the minimum price for a bid by a market player/supplier to achieve the best price/quantity combination (see at least: abstract, Fig. 5). Hao does not teach *wherein the bid is accepted based on the lowest price.* Cafino teaches *wherein the bid is accepted based on the lowest price* (see at least: 0008). It would have been obvious to one of ordinary skill in the art at the time of invention to have modified the invention of Hao to have included *accepting bids based on the lowest price* as taught by Cafino in order to provide an auction system where a buyer supplies a maximum price willing to be paid for an item and any bids higher than the lowest bid are not considered (see at least: Cafino, 0008).

Regarding claim 13, Hao teaches providing an electrical commodity during a specified time interval (see at least: 0039). The Examiner notes that Hao is providing a service at a specified time interval when the service will be available is similar to specifying a ship date. Hao, however, does not expressly show specifying *a ship date.* Cafino teaches the buyer *specifying a ship date* for a product (see at least: 0041). It would have been obvious to one of ordinary skill in the art at the time of invention to

have modified the invention of Hao to have included *specifying a ship date* as taught by Cafino in order to provide shoppers with bid conditions which include various factors related to product purchase beyond product price (see at least: Cafino, 0050).

6. Claims 15 and 16 are rejected under 35 U.S.C. 103(a) as being unpatentable over Hao in view of Ginsberg (US 2003/0055774).

Regarding claim 15, Hao teaches all of the above as noted but does not expressly teach determining a final price paid at the end of a time period, calculating the average price paid per product, and providing a rebate if the final price paid equal to the final price determined according to the volume of product purchased. Ginsberg teaches *determining a final price paid at the end of a time period, calculating the average price paid per product, and providing a rebate if the final price paid equal to the final price determined according to the volume of product purchased* (see at least: 0017, 0036-0041, claims 1-15). It would have been obvious to one of ordinary skill in the art at the time of invention to have modified the invention of Hao to have included determining a final price paid at the end of a time period, calculating the average price paid per product, and providing a rebate if the final price paid equal to the final price determined according to the volume of product purchased as taught by Ginsberg in order to provide systems and methods for trading of an item or instrument where excess profits obtained from a sale of an item or instrument at artificially high prices are redistributed to market participants (see at least: Ginsberg, 0006).

Regarding claim 16, Hao teaches all of the above but does not expressly teach *wherein a rebate is provided to the supplier if the average price is lower than the final price determined.* Ginsberg teaches *wherein a rebate is provided to the supplier if the average price is lower than the final price determined* (see at least: 0017, 0036-0041, claims 1-15). It would have been obvious to one of ordinary skill in the art at the time of invention to have modified the invention of Hao to have included *wherein a rebate is provided to the supplier if the average price is lower than the final price determined* as taught by Ginsberg in order to provide systems and methods for trading of an item or instrument where excess profits obtained from a sale of an item or instrument at artificially high prices are redistributed to market participants (see at least: Ginsberg, 0006).

The Examiner notes the following portions of claims 17-19 are given little patentable weight:

- *If the average price paid is higher than the final price determined*
- *If the average price paid is lower that the final price*

The "if the average price paid..." steps of claims 15-16 are conditional limitations and are given little patentable weight. Methods are composed of actions, when you perform the actions of a method and do not select one of the alternatives or "if" steps, you are not performing any action under those alternatives. Accordingly, and as in the method itself, once a positively recited step is satisfied, the method as a whole is satisfied -

regardless of whether or not other steps are conditionally invocable under certain other hypothetical scenarios.

7. Claims 17-19 are rejected under 35 U.S.C. 103(a) as being unpatentable over Hao in view of Ginsberg, as applied to claims 15-16, and in further view of PTO 892 reference U (herein referred to as 892U).

Regarding claim 17, Hao in view of Ginsberg teaches all of the above but does not expressly teach *wherein a rebate is provided to the buyer.* 892U teaches *wherein a rebate is provided to the buyer* (see at least: Paragraph 5). It would have been obvious to one of ordinary skill in the art at the time of invention to have modified the invention of Hao in view of Ginsberg to have included *wherein a rebate is provided to the buyer* as taught by 892U in order to increase customer acquisition and retention for Internet based businesses (see at least: 892UParagraph 5).

Regarding claim 18, Hao in view of Ginsberg teach all of the above as noted but do not expressly teach *wherein providing a rebate includes no charging product fees until the rebate amount owed is recovered.* 892U teaches *wherein providing a rebate includes no charging product fees until the rebate amount owed is recovered* (see at least: Paragraph 5). The Examiner notes that 892U teaches the use of instant rebates (i.e. rebates automatically given to the customer before being charged for the product). Thereby, by providing an instant rebate, product fees are not charge until the amount of

that instant rebate have been deducted (i.e. recovered). It would have been obvious to one of ordinary skill in the art at the time of invention to have modified the invention of Hao in view of Ginsberg to have included *wherein providing a rebate includes no charging product fees until the rebate amount owed is recovered* as taught by 892U in order to increase customer acquisition and retention for Internet based businesses (see at least: 892UParagraph 5).

Regarding claim 19, Hao in view of Ginsberg teach all of the above as noted but do not expressly teach *wherein providing a rebate includes no charging product fees until the rebate amount owed is recovered.* 892U teaches *wherein providing a rebate includes reducing a fee with a predetermined price floor established until the rebate amount owed is recouped* (see at least: Paragraph 5). The Examiner notes that 892U teaches the use of instant rebates (i.e. rebates automatically given to the customer before being charged for the product). Additionally, the minimum price being charged by the vendor (i.e. the price – rebated amount) constitutes a price floor. Thereby, by providing an instant rebate, the product fee is reduced instantly with the rebate amount being recouped instantly. It would have been obvious to one of ordinary skill in the art at the time of invention to have modified the invention of Hao in view of Ginsberg to have included *wherein providing a rebate includes no charging product fees until the rebate amount owed is recovered* as taught by 892U in order to increase customer acquisition and retention for Internet based businesses (see at least: 892UParagraph 5).

The Examiner notes the following portions of claim 17 is given little patentable weight:

- *If the average price paid is higher than the final price determined*

The "if the average price paid..." step of claims 17 is a conditional limitation and is given little patentable weight. Methods are composed of actions, when you perform the actions of a method and do not select one of the alternatives or "if" steps, you are not performing any action under those alternatives. Accordingly, and as in the method itself, once a positively recited step is satisfied, the method as a whole is satisfied - regardless of whether or not other steps are conditionally invocable under certain other hypothetical scenarios.

8. Claim 20 is rejected under 35 U.S.C. 103(a) as being unpatentable over Hao in view of Ginsberg, as applied to claim 15, and in further view of PTO 892 reference V (herein referred to as 892V).

Regarding claim 20, Hao in view of Ginsberg teaches all of the above as noted but does not expressly teach *wherein providing a rebate includes crediting an online account.* 892V teaches *wherein providing a rebate includes crediting an online account* (see at least: Paragraph 1*, 3*). It would have been obvious to one of ordinary skill in the art at the time of invention to have modified the invention of Hao in view of Ginsberg in order to help consumers and businesses easily move cash over the internet via online accounts (see at least: 892V, Paragraph 5).

Conclusion

The prior art made of record and not relied upon is considered pertinent to applicant's disclosure.

- US 6101484 discloses a dynamic market equilibrium management system, process and article of manufacture
- US 20040039677 discloses an enhanced auction mechanism for online transactions
- US 6925446 discloses a purchase price, auction server, product retailing method, product purchasing method, program storage device, and program transmission apparatus therefor
- US 20020147670 discloses digital options having demand-based, adjustable returns, and trading exchange therefor
- US 6415270 discloses a multiple auction coordination method and system

Any inquiry concerning this communication or earlier communications from the examiner should be directed to William J. Allen whose telephone number is (571) 272-1443. The examiner can normally be reached on 8:00 AM to 5:30 PM.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Mark Fadok can be reached on (571) 272-6755. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see http://pair-direct.uspto.gov. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

William J. Allen
Patent Examiner
April 11, 2006